I. T. Arrears Against Film Stars

955. SHRI G. Y. KRISHNAN: Will the Minister of FINANCE be pleased to state :

(a) the total amount of Income Tax amounting to Rupees 10 lakhs and above outstanding against the film Stars, Companies, Hindu Undivided Families, individuals and others as on 1st December, 1994; and

(b) the effective steps being taken to realize it ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY) : (a) The total amount of income-tax amounting to Rs. 10 lakhs and above as on 30-6-1994 outstanding was Rs. 10,98,531.75 lakhs.

(b) High priority is given to the work of reduction of arrear demand and appropriate administrative, legal and other measures are taken to reduce the same. In bigger cases, dossiers are maintained and the position is reviewed regularly. Request is made to the concerned appellate authorities for early disposal of cases. Wherever the recovery proceedings are stayed by the courts, steps are initiated to get the stay vacated. Coercive measures like attachment and sale of property, levy of penalty etc. are also taken by the Department in suitable cases for speedy recovery of demand.

Losses Suffered due to Bank Strike

956. SHRI KRISHNA KUMAR BIRLA : Will the Minister of FINANCE be pleased to state :

(a) what is the estimated loss suffered by Government following the recent strike by the banks, insurance companies and other financial institutions throughout the country;

(b) what are the reasons for the employees of these institutions going on strike; and

(c) what are the details of the agreement arrived at between Government and these sectors of economy to redress the grievances of the employees ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY) : (a) No direct loss to the Government on account of strikes in the banking and insurance industry have been reported by the Indian Banks' Association or the other concerned agencies. Strikes, however, did adversely affect the economy and trade, etc.

(b) The reasons for resorting to strikes by the employees in Financial Sector in 1994 were, inter alia, against privatisation of banks, for grant of increment/fixed personal allowance to officers on account of computerisation and for early wage revision.

(c) A Memorandum of Understanding (MoU) on wage revision was signed with 4 all India workmen unions on 8th October, 1994 providing for an overall increase in the wages to the tune of 10.5% costing Rs. 388 crores p.a. for award staff employees in public sector banks. Discussions with the officers associations of the public sector banks are also in progress.

Free Export of Forex

957. SHRI KRISHNA KUMAR BIRLA : Will the Minister of FINANCE be pleased to state :

(a) whether the RBI task force on liberalisation of foreign exchange regulations has made recommendations for free export of forex ;

(b) if so, what are the salient features of the recommendations made by the task force; and

(c) what are the recommendations which have been accepted by Government ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY) : (a) and (c) The Task Force constituted by the RBI to study the existing Foreign Exchange Regulation Act and to make recommendations regarding the new approach to the Foreign Exchange legislation has made various recommendations for exchanges in the existing regulations in the Act. The Task Force has, however not specifically recommended free export of foreign exchange from India. However, a comprehensive review of FERA is currently being undertaken and further changes may be considered.

Concessional Aid from Foreign Countries

958. SHRI KRISHNA KUMAR BIRLA : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the newsitem published in Statesman dated 16th October, 1994 under the caption "Concern over fall in aid to India";

(b) if so, whether Government is now not getting concessional aid from the foreign countries ;

(c) if so, the reasons therefor ;

(d) whether it will have any impact on the economy of the country; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY) : (a) Yes, Sir.

(b) Government of India continues to receive concessional aid from foreign countries and multilateral institutions.

(c) to (e) Do not arise.

Changes in Fera suggested by PHDCCI

959. SHRI KRISHNA KUMAR BIRLA : Will the Minister of FINANCE be pleased to state :

(a) whether the PHD Chamber of Commerce and Industry has further advocated changes in the FERA;

(b) if so, the details of the changes suggested by PHDCCI; and

(c) the reaction of Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY) : (a) No, Sir.

(b) and (c) Do not arise.

Penalty Imposed on Banks

960. DR. BIPLAB DASGUPTA: Will the Minister of FINANCE be pleased to state :

(a) how many of the twenty banks, Indian and Foreign, paid up the penalty imposed upon them by the apex bank for their part in the 1992 Security Scam bank-wise dedetails thereof; and

(b) whether this constitutes the final action against the erring banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY) : (a) and (b) Reserve Bank of India have reported that they had issued show cause notices on 21 banks for irregularities in securities transactions imposing penalty of about Rs. 145.04